


March 2016

Pedagogical Experience of Teaching Financial Coaching

Lucy M. Delgadillo Ph.D
Utah State University

Follow this and additional works at: <https://newprairiepress.org/jft>

 Part of the [Counseling Psychology Commons](#), [Family, Life Course, and Society Commons](#), and the [Social Psychology Commons](#)



This work is licensed under a [Creative Commons Attribution-Noncommercial 4.0 License](#)

Recommended Citation

Delgadillo, L. M. (2016). Pedagogical Experience of Teaching Financial Coaching. *Journal of Financial Therapy*, 6 (2) 5. <https://doi.org/10.4148/1944-9771.1092>

This Article is brought to you for free and open access by New Prairie Press. It has been accepted for inclusion in *Journal of Financial Therapy* by an authorized administrator of New Prairie Press. For more information, please contact cads@k-state.edu.

Pedagogical Experience of Teaching Financial Coaching

Cover Page Footnote

I would like to thank the FCHD 5550 Fall Semester Class for giving me the opportunity to conduct research in my course.

Pedagogical Experience of Teaching Financial Coaching

Lucy M. Delgadillo, Ph.D.
Utah State University

This study reports on the pedagogical experience of teaching a financial coaching course to personal and family finance undergraduate students at Utah State University. The paper describes the conceptualization of the class, including theoretical frameworks, ethical considerations, practitioners' models, learning objectives, and competencies. The assessment of the course provided data used by the instructor to refine and adjust future course content and assignments. Quantitative data were collected in pre-and post-tests assessments. The quantitative assessment shows statistically significant gains in specific coaching skills and competencies. The qualitative assessment indicated that, at the end of the course, students had better understanding of the coaching code of ethics and better communication and listening skills. The peer-to-peer coaching exercise was valuable for the students. Challenges for teaching financial coaching are discussed.

Keywords: coaching; teaching; counseling; finances; financial coaching

INTRODUCTION

One emerging approach that supports clients as they work towards their self-defined financial goals and the building of their assets is financial coaching (Collins, Olive, & O'Rourke, 2013; NTI, 2013). Financial coaching, unlike financial education, goes beyond simply teaching financial knowledge and skills. Financial coaching drives at changing financial behaviors over time by (a) developing a working alliance between the coach and the coachee (Kokotovic & Tracey, 1990), and (b) by providing an opportunity to engage in self-reflection and insight about one's own financial issues. Coaching is "partnering with clients in a thought-provoking and creative process that inspires them to maximize their personal potential" (International Coach Federation, n.d.). Financial coaching is a "distinct approach to building personal financial capability" (Collins & O'Rourke, 2012, p. 39). The variety of approaches used in coaching are useful for practitioners in family and consumer sciences, as well as financial planning, financial therapy, social work, and mental health

Pedagogical Experience of Teaching Financial Coaching

services. The primary purpose of this paper is to propose a pedagogy for teaching a financial coaching course that is rooted in coaching theory. In addition, this paper presents evaluation data from the first offering of a financial coaching course.

Coaching psychology literature provided the foundational knowledge for the financial coaching class. However, if coaching psychology is still a relatively new area of applied psychology (Grant & Stober, 2006), financial coaching is in its embryo stage. Inclusion of coaching skills in service professions will provide new marketable skills. These new desirable skills were recently legitimized, encouraged, and justified by the Coaching Initiative launched by the Consumer Financial Protection Bureau (CFPB) in May 2015 (Consumer Financial Protection Bureau, 2015). The CFPB is the nation's first federal agency whose sole focus is protecting consumers in the financial marketplace.

There are many proprietary and commercial financial coaching training programs available nationwide. Some training opportunities are offered by professional organizations (e.g., the Association for Financial Counseling and Planning Education, in partnership with Sage Financial [AFCPE], 2014); by private and government partnerships (e.g., Neighbor Work Training Institute [NTI], n.d.); by extension professionals (e.g., University of Wisconsin-Madison Center for Financial Security [CFS], n.d. and Central New Mexico Community College). What remains are several in-house training programs offered by non-profit organizations (e.g., EARN group in San Francisco, Local Initiative Support Corporation in Chicago, & Co-opportunity Coaching Program in Hartford, CT) and some proprietary commercial financial coaching programs that offer online training (e.g., Money Coaching Institute). However, as of Fall 2014, there was not a single financial coaching class offered on a university campus as part of a financial program.

This article reports the pedagogical experience of developing, teaching, and assessing a financial coaching class at Utah State University. The paper describes the conceptualization of the course, course objectives, and course competencies, which were part of an undergraduate family and personal finance program curriculum. In addition, the paper also explores and documents the perceived coaching skills and competencies gained during the class for two important audiences. First and foremost, the article speaks to academics, scholars, trainers, and practitioners in financial education, financial counseling, financial coaching, financial planning, financial therapy, and related fields, including the mental health field (Delgadillo & Britt, 2015; Klontz, Kahler, & Klontz, 2008). Second, it speaks to those practitioners or students who are new financial coaches, those on a development track to refine their capabilities and ideas about financial coaching, and those who have been introduced to financial coaching through any kind of training.

COURSE CONCEPTUALIZATION

The course was conceptualized on three kinds of knowledge: foundational knowledge, professional knowledge, and self-knowledge. Foundational knowledge encompasses theories and approaches. Professional knowledge includes ethical principles and practitioners' models. Self-knowledge refers to the ability to be a conscientious and self-reflexive practitioner (Dexter, Dexter, & Irving, 2011).

Foundational Knowledge

As part of the foundational knowledge, one goal of this class was to anchor coaching practices in theory by using coaching psychology frameworks and evidence-based approaches used in the mental health field. The theories and approaches discussed include: (a) the Humanistic Approach, (b) Cognitive Behavioral Approach, (c) Goal Setting Theory, (d) the Transtheoretical Model of Behavior Change, and (e) Adult Learning theories. Informed by these theories, students learned how to facilitate motivation, overcome cognitive setbacks, challenge faulty financial thinking, align clients' life goals and financial goals, and change and maintain healthy financial behaviors (Goleman, 2006; Moore, Highstein, Tschannen-Moran, & Silverio, 2010; Neenan, 2010; Stober, 2006). The course involved principles of adult learning and communication skills, including: (a) active listening, (b) powerful questioning, and (c) motivational interviewing (Cox, 2006; Jinks & Dexter, 2012; Knowles, 1980; Kolb, 1984; Prochaska, 1999). Students also learned how coaching both differs from and complements financial education, financial counseling, financial planning, and financial therapy (for a better understanding of these concepts see Delgado, 2014). For a discussion on the difference between financial coaching and financial therapy, see Delgado & Britt, 2015.

Humanistic approach (HA). The growth-oriented view of the person, the coach-client relationship, known also as the working alliance and empathy, are concepts borrowed from the humanistic perspective that are applied in coaching. This approach was included because it is of significant utility in coaching. Coaches are there to enhance the "client's own natural potential for growth" (Stober, 2006, p. 20). Growth could range from achieving self-actualization to implementing small positive changes in one's life (Stober, 2006). Humanistic theorists see the coach-client relationship as a required aspect of change. When a financial professional approaches a client with the belief that the client is capable of positive growth, they work *with* the client rather than *on* the client. The result of this engagement is a working alliance. Empathy provides the optimal environment for the client to value a full range of human experiences (i.e., physical, affective, or emotional realities) in a judgment-free environment (Goleman, 2006). Empathy is the respectful understanding of another person's experience, including his or her feelings, needs, and desires (Moore, Highstein, Tschannen-Moran, & Silverio, 2010).

Cognitive behavioral approach. A Cognitive Behavioral (CB) approach to coaching encompasses a broad variety of intervention techniques that examine the relationship between thoughts, feelings, and behaviors. This framework was included because CB is an effective approach used to overcome cognitive distortions (Neenan, 2010). Examples of cognitive distortions in financial coaching include: "I can't save. I do not have enough money" (all or nothing mentality); "what if I cannot pay my mortgage" (catastrophizing); "I always mess up my budget" (overgeneralizing); and "I am a financial loser" (labeling). By using the CB approach to coaching, many of the core barriers to successful behavior, such as limiting cognitions and deterring thoughts, can be circumvented.

Goal setting theory. Goal setting is an important component of motivation, self-regulation, and achievement. Goal-setting theory was developed by Locke and Latham

(1990). Goal setting theory states that not all goals are created equal and that there are different types of goals (e.g., learning goals, performance goals) and goal hierarchies.

In the personal and financial field, there has been a tendency to overemphasize the use of S.M.A.R.T goals. A S.M.A.R.T goal is defined as one that is specific, measurable, achievable, results-focused, and time-bound. S.M.A.R.T goals are important, but they need to be in alignment with ultimate goals (Jinks & Dexter, 2012). Simply, S.M.A.R.T goals do not exist in isolation, but within a context. Jinks and Dexter proposed that it is important to create a road map that ties ultimate goals to behavioral goals.

Transtheoretical model of behavior change. The Transtheoretical Model of Behavior Change (TTM) assesses an individual's readiness to act on a new, healthier behavior and provides strategies and processes to guide the individual through the stages of change (Prochaska, 1999). The key insight of this model is that it introduces different stages of change. These stages are: (a) pre-contemplation, (b) contemplation, (c) preparation, (d) action, and (e) maintenance.

This theoretical approach was presented because financial coaches may be able to help clients in every stage of the change process. For example, at pre-contemplation, simply increasing awareness of the financial issue(s) may be the primary goal. At contemplation, most of the work will be done to examine the current behavior pattern and the costs and benefits of change. At preparation, a financial coach can help a client increase commitment so that the client can develop his or her own financial plan. At the action stage, the coach may be able to help create self-accountability for successful achievement of the financial plan. Finally, at the maintenance stage, support can be provided to integrate and sustain the behavior over an extended period of time.

Adult learning theories applied to coaching. There are several adult learning theories that have critical relevance and application to coaching. Knowles (1980) proposes a paradigm for teaching adults (andragogy) that contrasts with the traditional paradigm for teaching children (pedagogy). Andragogy builds on the theory of constructivism which suggests that learning is an active process. Learners use previous experiences to construct new knowledge and skills. Knowles emphasizes that adults are self-directed learners and are expected to take responsibility for their decisions. The translation of andragogy principles to coaching allows the construction of new meanings and learning based on previous life experiences.

Similarly to andragogy, experiential learning theories can be summarized as learning by doing (Kolb, 1984). The experiential learning model is an inductive process comprising four stages: concrete experience, reflective observation, abstract conceptualization, and active experimentation (Cox, 2006). Coaches should build the client's confidence in his/her ability to change, while using realistic goal-setting strategies to protect the client's belief in himself/herself.

Professional Knowledge

The second component in the conceptualization of the class is professional knowledge, which was informed by the code of ethics used by the International Coach Federation, and a discussion of four practitioners' approaches commonly used in coaching practices. Currently, coaching is an unregulated industry. Therefore, a professional code of conduct becomes critical in providing basic quality control to financial coaching practices. To fulfill this requirement, the International Coach Federation code of ethics offers a 'self-regulatory' framework that will prevent coaches from engaging in dangerous practices and from harming clients or the public in general. Ethical frameworks act as scaffolding by providing practical guidelines in resolving everyday ethical dilemmas (Duffy & Passmore, 2010). The ethical decision-making process is a complex matter. Within the context of coaching psychology, Duffy and Passmore (2010) posit that few coaching practitioners reflect on the ethical code and how these fit in their own view of the world. Given that ethics codes do not always offer the easy answers, it is essential for novice coaches to consider different ways of resolving future ethical dilemmas.

Practitioners' approaches and techniques. Although there are many approaches, the four practitioners' approaches/techniques discussed in the class include: (a) the GROW approach, (b) the COACH technique, (c) the Solution Focused Approach, and (d) Appreciative Inquiry (AI). The GROW approach is a simple method for goal-setting and problem-solving. It was developed in the United Kingdom, and it was mostly used in executive coaching (Alexander, 2010). The GROW approach is described linearly in this paper, but, in fact, its application to coaching sessions is cyclical. The acronym GROW represents the different stages in the process. "G" is the goal, or end point where the client wants to be when the goal is achieved. "R" is the current reality, or where the client is right now. "O" has two meanings: (a) identifying obstacles and (b) developing options for dealing with those obstacles. Finally, "W" represents the options converted in action steps to make the way forward (Alexander, 2010).

The COACH technique was first introduced by NeighborWorks Training Institute (NTI) and by Central New Mexico Community College. In this acronym, *C* stands for client-driven goal setting; *O* is for on-going assessment of the current situation; *A* is action planning; and *CH* stands for checking or accountability (NTI, 2013). Accountability is the most valuable component because it puts the compliance effort back on the client, not on the coach. As a technique that exists within the Financial Capability model, the main assumption of COACH is that it assumes people should have both the ability to act (i.e., knowledge, skills, confidence, and motivation) and the opportunity to act through access to financial services that are affordable, attractive, easy to use, secure, and reliable (Sherraden, 2010).

In Solution Focused (SF) coaching, the coach helps the coachee find solutions to their problem through change talk. The focus is less on trying to understand the problem or problem analysis and more on finding a solution. SF coaching is an action-oriented process in which the coach expects the client to actively work toward change. The coach places greater attention on the future actions of the client and less stress on past actions. In SF, the

Pedagogical Experience of Teaching Financial Coaching

coach uses self-directed learning to help the client recognize, uncover, and use their own resources in as short as four sessions (Grant, 2010).

SF coaching uses varying techniques to assist clients in change, including setting SMART goals, complimenting, scaling, and the miracle question (Grant, 2010). Complimenting the client on what they are already doing encourages them to move toward change. Scaling is a technique used to help a client assess progress towards goals by asking on a scale of one to ten, where are you? and “what do you need to do to move to the next increment on that scale?” Finally, the miracle question asks the client, “if a miracle was to happen and you awoke the next morning to find that your problems had been solved - what would that look like?” (Grant, 2010, p. 104). This is another tool to facilitate change.

Appreciative Inquiry (AI) is a positive, focused approach that examines “what is going well?” and “what is working?” in order to change a behavior. AI facilitates generative inquiry, which is an approach that uses clients’ resources, values, and abilities to move them from problems to a creative generation of solutions (Clancy & Binkert, 2010). It is a dialogue that facilitates the creation of new [financial] meanings, and alignment of [financial] goals to life goals. The AI model proposes five stages of development, known as the 5D cycle: Define, Discovery, Dream, Design, and Destiny.

Self-Knowledge

The last element is self-knowledge, which is an instrumental learning tool to encourage self-reflection and self-discovery. Students wrote weekly self-reflection papers to evoke self-knowledge. Students were also encouraged to conceptualize their own model of practice informed by technical eclecticism, self-reflection, and insights. Furthermore, students were encouraged to have their own coaching journal. This practice nurtured an opportunity for self-reflection on current and future potential ethical dilemmas.

COURSE ASSESSMENT

Due to the class being delivered in a university setting, it was very important for the instructor of record to quantify students’ gains in skills and knowledge on 12 specific coaching skills/competencies. A summary of the course objectives and competencies is presented in Table 1. For this purpose, the instructor collected data using pre- and post-evaluations, using quantitative and qualitative assessment methods for future improvement and refinement of the course. Furthermore, the instructor was interested in exploring and documenting the students’ perceived gains in skills and competencies during the class. Students who completed the pre- and post-evaluation were entered into a raffle to receive two free coaching sessions conducted by the instructor, equivalent to a \$240 value. The Institutional Review Board (IRB) for the protection of human participants at Utah State University approved this research study.

Seven students registered for the elective Financial Coaching Class at Utah State University in Fall 2014. Five of the students were undergraduates, majoring in family finance, one student was an undergraduate business major, and one was a marriage and

family therapy graduate student. The methods and results of students' assessments are presented in the following section.

Quantitative Assessment

The quantitative assessment responded to the following question: Is there a (statistically) significant difference between the pre-test and the post-test scores reported by students with respect to the coaching skills and competencies? The proposed null hypotheses were that there were no differences in the median scores between pre-test and post-test for each of the twelve competencies.

A pre-test evaluated the existing prior knowledge of the subjects on twelve different coaching-related skills and competencies. The pre-test was administered the first day of class. A post-test was given at the end of the course to measure knowledge gains as a result of the course experience. The students filled out the pre-test and post-test anonymously and voluntarily. They used a code instead of their real name. A Wilcoxon test was the adequate method of statistical analysis because the design involved a small non-parametric sample size (Field, 2005). The significance confidence level was set at $\alpha = .01$.

Pedagogical Experience of Teaching Financial Coaching

Table 1

Learning Objectives and Coaching Competencies Addressed in this Course

Learning Objective	Learning fundamental theories, principles, and generalizations.
Learning Outcomes	<ol style="list-style-type: none">1. Students will differentiate among financial capability, financial literacy, financial education, financial counseling, financial planning, financial coaching, and financial therapy practices.2. Informed by theory, students will demonstrate how coaching-ready individuals can get motivated, overcome setbacks in financial goals and change and maintain healthy financial behaviors.3. Informed by theory, students will have a working knowledge of different skills and tools, and models used in financial coaching, and demonstrate how processes work in a coaching relationship.
Learning Objective	Developing specific skills and competencies.
Learning Outcomes	<ol style="list-style-type: none">1. Students will demonstrate skills and process useful in creating, developing, maintaining, and concluding coaching relationship.2. Students will include and identify ethical issues and boundaries of the profession in their practices.3. Students will learn how to integrate financial coaching techniques to financial issues.
Core coaching competencies addressed in this course	
<ol style="list-style-type: none">1. Understanding what financial coaching is.2. Meeting ethical guidelines and professional standards—Understanding of coaching ethics and standards and ability to apply them appropriately in all coaching situations.3. Developing a coaching agreement.4. Establishing trust and intimacy with client.5. Coaching presence, including financial mindfulness.6. Active listening—Ability to focus completely on what the client is saying and is not saying, to understand the meaning of what is said in the context of the client's desires, and to support client self-expression.7. Powerful questioning—Ability to ask questions that reveal the information needed for maximum benefit to the coaching relationship and the client.8. Creating awareness.9. Direct communication.10. Designing actions.11. Planning and goal setting—Ability to develop and maintain an effective coaching plan with the client.12. Managing progress and accountability—Ability to hold the attention on what is important for the client and to leave the responsibility to the client to take action.	

Qualitative Assessment

To further explore students' perceptions of the course, qualitative methods were used to assess three research questions.

1. What insights did the student gain from reviewing the International Coaching Federation's (ICF) code of ethics?

2. What were the students' perceptions of their peer-to-peer coaching exercise?
3. What were the students' perceived benefits of taking the financial coaching class?

Based on Creswell (2003), four types of data collection are common in qualitative research, including observation, interviews, documents, and audiovisual materials. In this study, the primary units of analysis were documents (e.g., mid-term papers and final reports) used to respond to the above questions.

One of the requirements for the course was for students to complete ten one-page, single-spaced reflective papers on various topics discussed in class. They were due at the end of each learning module. In addition, students had one mid-term exam, one mid-term philosophy of coaching paper, and one final report of their peer-to-peer coaching sessions. Because these course requirements produced a massive amount of data, qualitative analyses were reduced to the examination of three specific documents: (a) a reflective paper related to the code of ethics, (b) the final report on their peer-to-peer coaching session, and (c) the overall assessment of the benefits of taking a financial coaching class. In each of the three aforementioned assignments, students were asked to address the above research questions.

Each of the seven reflective papers on the code of ethics, the seven reports on the peer-to-peer coaching sessions, and the seven responses on the overall benefit of taking the course were read to identify themes. Notes and codes were written in the margins of each paper for subsequent use. Next, general coding of the data began through labeling of sections by themes. As an additional step of ensuring reliability, the papers were also read by a research assistant for purposes of comparing consistency and logic of themes. No major or persistent inconsistencies were found between the author and the research assistant; therefore, the primary researcher summarized the data alone.

RESULTS

Quantitative Analysis

The instructor of record desired quantitative data beyond the student evaluation collected by the university administrators at the end of the course. For this purpose, a pre-test and a post-test were designed for the course to address if there was a statistically significant difference between the pre-test and the post-test scores reported by students with respect to the coaching skills and competencies. Given the small and non-parametric sample size, a Wilcoxon test was run to respond to the research question. The output of the Wilcoxon test showed that the post-test scores were statistically higher than pre-test scores at a *p-value* of 0.05, based on the Z statistic (Table 2). In this case, the conditions for the subjects were knowledge before taking the course and knowledge at its conclusion. The null hypotheses that there were no differences in the median scores between pre-test and post-tests for each of the 12 competencies were rejected.

Pedagogical Experience of Teaching Financial Coaching

Table 2

Wilcoxon Rank Test for Coaching Skills and Competencies

	Median	S.D Median	Mean Pre/post	Range	Z
1. I know what financial coaching is	-4.29	-2.40	3.4/7.7	2.0-8.0	0.16*
2. I am familiar with the code of ethics of the ICF	-5.29	-2.37	2.0/7.2	1.0-8.0	0.18*
3. I know the differences between financial education and financial coaching	-3.71	-2.37	3.8/7.5	1.0-8.0	.018*
4. I know the differences between financial counseling and financial coaching	-4.57	-2.38	3.0/7.5	2.0-8.0	.017*
5. I know the differences between financial planning and financial coaching	-4.00	-2.39	3.7/7.7	2.0-8.0	.017*
6. I understand my coaching philosophy and the use of coaching principles and skills for interacting with clients	-5.43	-2.39	1.5/7.0	1.0-8.0	.017*
7. I understand the role of a financial coach in helping clients set goals and develop steps to achieve financial goals	-4.28	-2.37	3.2/7.5	1.0-8.0	.018*
8. I know how to engage in a coaching relationship	-5.7	-2.40	1.8/7.5	1.0-8.0	.016*
9. I know how to close a coaching relationship	-4.43	-2.37	1.5/6.0	1.0-8.0	.018*
10. I know at least one financial coaching model	-6.43	-2.46	1.1/7.5	1.0-8.0	.014*
11. I know how to do assessments on a client in a coaching relationship	-5.14	-2.37	1.3/6.4	1.0-8.0	.018*
12. I know how to incorporate elements of coaching in other financial practices	-6.28	-2.40	1.1/7.4	1.0-8.0	.016*

Note: Significance level at 0.01

Qualitative Analysis

The reflective paper on ethical principles, a final report on peer-to-peer coaching, and a paper on the insights and benefits of taking a financial coaching class were the three assignments used as the unit of analyses for this study. Due to the small sample size and the manageability of the data, no computer software was used for analyzing the documents. The exemplar quotes provide supporting evidence to respond to the questions of interest.

The first qualitative question asked, what insights did the student gain from reviewing the International Coaching Federation (ICF) code of ethics? Since there is still a great deal of uncertainty in the financial coaching field about what code of ethics to follow, students appreciated being exposed to the International Coach Federation (ICF) Code of Ethics. It provided them with an ethical awareness that increased their capacity to make ethical decisions and judgment calls before, during, and after a coaching session. In addition to the IFC code of ethics, students discussed different ethical dilemma scenarios in class. Students also signed an affidavit stating that they were familiar with the code, understood it, and were willing to abide by this code in any financial coaching practice in which they engaged.

The students gained different insights from studying the ICF code of ethics. The primary themes identified here were issues of boundaries, alignments of their own personal code of ethics with the ICF Code, and the value of practicing ethical dilemmas. Example quotes are as follows:

Boundaries. *“A financial coach needs to understand [their] professional boundaries to avoid working with clients with more challenging needs than the coach is trained to manage (for example, recognizing when a client will benefit more by working with a financial counselor or a mental health professional than with a financial coach).”*

Alignment to personal values. *“I found that in the ICF code some common themes that align with my personal code of ethics, such as truth, confidentiality, avoiding harm, pursuit of justice, respecting the life and experience of others, and fiduciary duty to my clients (placing the interests or needs of clients first).”*

Ethical dilemmas. *“It is important to practice ethical dilemma scenarios in advance, so when faced with one dilemma there has been enough time for a self-reflection process instead of trying to provide an answer on the spot.”*

“I learned that it is impossible to understand a dilemma without all the contextual factors. The financial coaching dilemma will necessitate a different resolution depending upon the context.”

The second qualitative question asked, what were the students' perceptions of the peer-to-peer coaching exercise? In this assessment, all students concurred that the culminating peer-to-peer coaching exercise was a frightening, but valuable, hands-on experience. This hands-on learning exercise yielded a chance to assess their own ability to

Pedagogical Experience of Teaching Financial Coaching

apply their knowledge in a real coaching setting. This assignment consisted of two coaching sessions with a peer-coachee. Students coached and were coached two times. Students needed to provide their coachee with a coaching contract. In addition to the instructor of record, one peer observer evaluated their coaching practice. Students also needed to fill out their own evaluation. The instructor of record provided feedback after each coaching session, but this feedback is not part of data collection for the qualitative analysis. One student stated:

“This was a wonderful (and frightening) experience for me. I have career ambitions to become a financial coach/advisor, and I loved every second of this class. Having the opportunity to BE a coach myself was wonderful training for a future career!”

Another student said:

“This was a great experience. I learned so much, especially through these few coaching sessions. For me, practice is the best teacher. The preparation, the nervousness, and figuring out for myself that I can do it were all essential parts of the learning process for me.”

A third student explained:

“I had a lot of mixed emotions during my coaching sessions. I felt, at times, really confident in my abilities and at other times really not confident in myself... However, I really appreciated this opportunity to take part in an actual coaching session, even though it was hard and scary.”

The final question was, what were the perceived benefits of taking the financial coaching class? Students identified several benefits from taking the financial coaching class. Their comments emphasized two themes: (a) their gains in communication and listening skills and (b) their transferability of these skills to others aspects of their lives.

To explain the theme of “gains in communication and listening skills,” one student stated:

“Taking a financial coaching class certainly benefits me personally. There are a lot of skills associated with coaching that can only improve the skills I have. These skills include empathy, mindfulness, affirmation, unconditional positive regard, reflections, and active listening.”

Another student said:

“The professional benefit of taking a financial coaching class is that I have gained a new way of thinking about helping my clients with their financial goals.”

Likewise, a student said:

"The new perspective that I have gained as a coach will help me have deeper understanding of the feelings my clients have. I also have learned how to use unconditional positive regard to helping create a judgment-free environment."

Two exemplar quotes from students are provided to help describe the theme of transferability of these skills to other areas of their lives. The first student said:

"Another thing that has benefited my personal life from taking this class is asking better and more effective open-ended questions. Using "why" questions can be really debilitating and harmful in normal situations (and especially in professional coaching situations)."

The other student stated:

"Applying these coaching techniques to my every day conversations has really made a profound impact on the way I communicate - and the way I feel about people and the way I feel about me. I have noticed a significant increase in marital satisfaction between me and my spouse since starting this financial coaching class."

DISCUSSION

One emerging approach that supports clients as they work towards their self-defined financial goals and asset-building process is financial coaching (Collins, Olive, & O'Rourke, 2013; NTI, 2013). Financial coaching tends to focus on changing financial behaviors, rather than focusing on remediating specific financial problems. Very recently, financial coaching has become increasingly popular and is in high demand. The CFPB, for example, launched a financial coaching initiative in May 2015. Along with this imminent and pervasive interest, there are also a few challenges for educators who are interested in teaching financial coaching in university settings.

The first of these challenges is that there is not a clear standardization of competencies among academics, family finance practitioners, extension educators, and the public in general of what financial coaching is. There is little clarity on how this new approach can either stand on its own or be combined with existing financial education, financial counseling, or financial therapy practices to promote financial health. There is also no existing literature on how to train practitioners and/or supervise students doing financial coaching. This is, in part, due to the fact that financial coaching is currently not a profession, but an industry. An industry is defined as just an economic activity, while a profession refers to a qualified group of people who have specific skills, competencies, and ethical requirements (Short & Toffel, 2010).

The second challenge is that as of Fall 2014, when this course was first taught, no tertiary four-year institution in the United States was offering a curriculum program on financial coaching, either at the undergraduate or graduate level. This article aims to fill the

Pedagogical Experience of Teaching Financial Coaching

gap by reporting on the pedagogical experience of teaching a financial coaching class in a tertiary institution, and on the data generated by the students' assessment of such class. This article describes the foundation, professional, and self-knowledge that were part of the curriculum, as well as course objectives and competencies.

The results of the students' assessment look very promising. The quantitative analysis shows statistically significant gains in students' financial coaching knowledge and skills. The qualitative section provided important feedback for refining the course in upcoming semesters. One important comment was how frightening, but valuable the coaching exercise was. Any instructor interested in teaching a financial coaching class needs to provide active learning coaching opportunities, so that students can apply what they learn, and overcome their own fears and nervousness.

As with any study, including course evaluation assessments like the one presented here, limitations exist. One of the major limitations is that the instructor of the course was also the researcher. A second major limitation is the small number of students in the course and no control group to compare if the methods utilized in this course were better than others. Due to the nature of the current study, no random assignment was available and the sample was homogeneous in terms of age and ethnicity. Regardless, the curriculum described here serves as a foundation, which can be enriched or expanded based on whatever experience and course objectives are brought to bear by the instructor either as part of a university curriculum or proprietary training.

As more universities are adding financial coaching skills into their curriculums, more opportunities will exist to present empirical evidence to create a set of common standards for this emerging field. Forming partnerships with financial therapy, financial counseling, and financial planning professional organizations can further enhance professional skills for working with clients. Understanding the contribution of a financial coaching class to the financial field will require more research and testing. Future research should focus on studies with control populations to sort out effects. For example, experimental studies designed to compare a control group of students who only took a financial counseling course and did not take a financial coaching class, and a treatment group of those students who did take a coaching class in addition to a counseling class, could be conducted. This will test whether or not differences exist between the two groups of students related to relevant competencies and skills.

REFERENCES

- AFCPE. (2014, February 5). *AFCPE and Sage Financial Solutions join forces for comprehensive financial coach training programs*. Retrieved from <http://afcpe.cmail2.com/t/ViewEmail/r/55103E3A3BADA2972540EF23F30FEDED/44261E099DBBB16F148F9D201EEB5695>
- Alexander, G. (2010). Behavioral coaching - the GROW model. In J. Passmore (Ed.), *Excellence in coaching: The industry guide* (2nd ed., pp. 83-93). London, England: Kogan Page Ltda.
- Bandura, A. (1977). Self-efficacy: Toward a unifying theory of behavior change. *Psychological Review*, 84(2), 191-215.
- Center for Financial Security, (n.d.). *Financial coaching*. Available at <http://www.cfs.wisc.edu/financial-coaching.htm>
- Clancy, A., & Binkert, J. (2010). Appreciative coaching: Pathway to flourishing. In J. Passmore (Ed.), *Excellence in coaching: The industry guide* (2nd ed., pp. 147-156). London, England: Kogan Page Ltda.
- Collins, M., & O'Rourke, C. (2012). The application of coaching techniques to financial issues. *Journal of Financial Therapy* 3(2), 39-56. doi: 10.4148/jft.v3i2.1659
- Collins, M., Olive, P., & O'Rourke, C. (2013). Financial coaching potential for enhancing family financial security. *Journal of Extension*, 51(1), 1FEA8. Retrieved from <http://www.joe.org/joe/2013february/a8.php>
- Consumer Financial Protection Bureau. (2015). *CFPB launches financial coaching initiative*. Retrieved from <http://www.consumerfinance.gov/newsroom/cfpb-launches-financial-coaching-initiative/>
- Cox, E. (2006). An adult learning approach to coaching. In D. R. Stober & A. M. Grant (Eds.), *Evidence based coaching handbook* (pp. 193-217). Hoboken, NJ: John Wiley & Sons, Inc.
- Delgadillo, L. (2014). Financial clarity: Education, literacy, capability, counseling, planning and coaching. *Family and Consumer Sciences Research Journal*, 43(1), 18-28. doi: 10.1111/fcsr.12078
- Delgadillo, L., & Britt, S. (2015). Financial coaching and financial therapy: Differences and boundaries. *Family and Consumer Sciences Research Journal*, 44(1) 63-72. doi: 10.1111/fcsr.12127.
- Duffy, M., & Passmore, J. (2010) Ethics in coaching: An ethical decision-making framework for coaching psychologists. *International Coaching Psychology Review*, 5(2), 140-151.
- Field, A. (2005). *Discovering statistics using SPSS*. (2nd ed.). Thousand Oaks, CA: Sage Publications.
- International Coach Federation (n.d.). *What is professional coaching?* Retrieved from <http://coachfederation.org/need/landing.cfm?ItemNumber=978&navItemNumber=567>
- International Coach Federation (n.d.). *Code of ethics*. Retrieved from <http://www.coachfederation.org/ethics/>
- Goleman, D. (2006). *Emotional Intelligence*. New York, NY: Bantam Dell.
- Grant, A. M. (2010). Solution focused coaching. In J. Passmore (Ed.), *Excellence in coaching: The industrial guide* (pp. 94-109). London, England: Kogan Page Limited.

Pedagogical Experience of Teaching Financial Coaching

- Grant, A., & Stober, D. (2006). Introduction. In D.R. Stober & A. M. Grant (Eds.), *Evidence based coaching handbook* (pp. 1-14). Hoboken, NJ: John Wiley & Sons, Inc.
- Jinks, D., & Dexter, J. (2012). What do you really want: An examination of the pursuit of goal setting in coaching. *International Journal of Evidence Based Coaching and Mentoring*, 10(2), 100-110.
- Knowles, M. (1980). *The modern practice of adult education: From pedagogy to andragogy*. Englewood Cliffs, NJ: Prentice Hall/Cambridge.
- Klontz, B., Kahler, R., & Klontz, T. (2008). *Facilitating financial health*. Cincinnati, OH: National Underwriting Company.
- Kokotovic, A., & Tracey, T. (1990). Working alliance in the early phase of counseling. *Journal of Counseling Psychology*, 37(1), 16-21.
- Kolb, D. (1984). *Experiential learning: Experience as the source of learning and development*. Englewood Cliffs, NJ: Prentice Hall.
- Locke, E. A., & Latham, G. P. (1990). *A theory of goal setting and task performance*. Englewood Cliffs, NJ: Prentice-Hall.
- Moore, M., Highstein, G., Tschannen-Moran, B., & Silverio, G. (2010). Coaching behavior change. In M. Moore & B. Tschannen-Moran (Eds.), *Coaching: Psychology manual* (pp. 33-51). Baltimore, MD: Lippincott Williams & Wilkins.
- Neenan, M. (2010). Cognitive behavioral coaching. In J. Passmore (Ed.), *Excellence in coaching: The industrial guide* (pp. 110-122). London, England: Kogan Page Limited.
- NTI (n.d.). *Training and professional development*. Retrieved from <http://www.neighborworks.org/Training-Services/Training-Professional-Development>
- NTI (2013). *HO370: Advance Financial coaching: Taking your practice to the next level Manual*. WDC: NeighborWorks America.
- Prochaska, J. (1999). How do people change and how can we change to help many more people? In M. Hubble, B. Duncan, & S. Miller (Eds.), *The heart and soul of change* (pp. 227-255). Washington, DC: American Psychological Society.
- Sherraden, M. (2010). Financial capability: What is it, and how can it be reached? (Working Paper CSD No. 10-17). Retrieved from Center for Social Development website: <http://csd.wustl.edu/Publications/Documents/WP10-17.pdf>
- Short, J. L., & Toffel, M. (2010). Making self-regulation more than merely symbolic: The critical role of the legal environment. *Administrative Science Quarterly*, 55(3), 361-396.
- Stober, D. (2006). Coaching from the humanistic perspective. In D. R. Stober & A. M. Grant (Eds.), *Evidence based coaching handbook* (pp. 17-50). Hoboken, NJ: John Wiley & Sons, Inc.